

## REMARKS

Applicant submitted an Information Disclosure Statement with a three page form PTO-1449 on 18 January 2001 (copy enclosed). With the Examiner's Office Action of 9 December 2002, only page 1 of 3 (copy enclosed) was initialed and returned to applicant. Applicant requests consideration of the references cited in pages 2-3.

Applicant is also submitting an Information Disclosure Statement citing art referenced in related applications.

Claims 1-72, 101 and 102 are rejected on the ground of nonstatutory obviousness-type double patenting over claims 1-20 of U.S. Pat. No. 6,012,039.

Claims 1-72, 101-102 are rejected under 35 U.S.C. 103(a) as being unpatentable over Schockley et al. (U.S. 5,534,855), in view of Schultz et al. (U.S. 5,056,019).

Claims 1-72, 101 and 102 remain in the case for reconsideration.

Applicant is prepared to submit a Terminal Disclaimer to overcome the nonstatutory double patenting rejection over U.S. Pat. No. 6,012,039 once all the statutory grounds for rejection are overcome.

Applicant traverses the rejection of the claims under 35 U.S.C. § 103 as unpatentable over Shockley in view of Schultz.

Claim 50 is amended to correct a grammatical error. Otherwise, the claims remain unchanged.

The Examiner has given a blanket rejection of claims 1-72 and 101-102, without any particularized reading of the claims on the references. This rejection is not proper under 35 USC 103 and the controlling case law. In a prior case filed by Applicant, which was appealed, the Board reversed, holding that the Examiner had failed to establish a *prima facie* case under 35 U.S.C. 103. *Ex Parte Hoffman et al*, Appeal No. 2006-0464, decision mailed Aug 28, 2006, copy attached. As stated by the Board at pages 4-5:

In rejecting claims under 35 U.S.C. § 103, it is incumbent upon the examiner to establish a factual basis to support the legal conclusion of obviousness.

See In re Fine, 837 F.2d 1071, 1073, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988).

In so doing, the examiner is expected to make the factual determinations set forth in Graham v. John Deere Co., 383 U.S. 1, 17, 148 USPQ 459, 467 (1966). The examiner must articulate reasons for the examiner's decision.

In re Lee, 277 F.3d 1338, 1342, 61 USPQ2d 1430, 1434 (Fed. Cir. 2002). . . .

The examiner cannot simply reach conclusions based on the examiner's own understanding or experience - or on his or her assessment of what would be basic knowledge or common sense. Rather, the examiner must point to some concrete evidence in the record in support of these findings." In re Zurko, 258 F.3d 1379, 1386, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001). Thus the examiner must not only assure that the requisite findings are made, based on evidence of record, but must also explain the reasoning by which the findings are deemed to support the examiner's conclusion....

In making the rejection, the Examiner cites Shockley at col. 5, lines 35-37; col. 3, lines 14-33, and col. 7, line 46, and Schultz col. 5, lines 2-7 as follows:

7. As per claims 1-72 and 101-102, Shockley et al. describes an invention comprising of:
  - a. an applicant 100 supplies biometric information 105 to a registrar 110 as part of the processing of an account (C.5,LL. 35-37)
  - b. Authorization to execute any task is validated at the time a request is made by comparison of the digitized canonical forms of biometric data of the user completing the request with those of the user initiating the request. (C. 3, LL. 14-33)
8. Shockley et al. did not explicitly describe an invention in which the process being validated is a reward program. However, Shultz describes a reward system in which the consumer is identified using a consumer identification code (C5, LL.2-7)  
....
10. Shockley et al. describes a process, taking place in a wide area network (C7, LL. 46) ....

This rejection disregards several limitations of the independent claims, as well as the entire subject matter of most of the dependent claims. It also overlooks a number of aspects of the cited references that are contrary to the proposed combination. The foregoing rejection, therefore, fails to establish a *prima facie* case of obviousness under the controlling authority as cited above.

To make the analysis simpler, Applicant will focus on selected independent claims, and likewise on a sampling of the dependent claims. Claims 1-72 and 101-102 include six

independent method claims -- 1, 25, 54, 63, 101 and 102. There are also two apparatus or system claims -- claim 20 directed to a system which supports the method of claim 1 and claim 64 which supports the method as defined in claim 54. We start with claims 54 and 64 as follows:

54. A biometric method implemented in a computer system for processing electronic transmissions, comprising:

- registering at least one registration biometric sample taken directly from a user;
- forming a rule module customized to the user in a rule module clearinghouse, the rule module associating at least one pattern data of the user with at least one execution command of the user;
- comparing a bid biometric sample taken directly from the person of the user with at least one previously registered biometric sample for producing either a successful or failed match; and
- invoking the rule module of the user upon a successful match to execute at least one electronic transmission.

64. A computer system device for biometric processing of electronic transmissions, comprising:

- a biometric input apparatus, for providing a bid or registration biometric sample of a user;
- an electronic rule module clearinghouse, having at least one rule module including at least one pattern data of the user associated with at least one execution command of the user;
- an electronic identifier, to compare at least one registration biometric sample stored in the electronic identifier with a bid biometric sample to produce either a successful or failed match; and
- a command execution module, to invoke at least one execution command in the electronic rule module clearinghouse to execute an electronic transmission.

It is readily apparent that these claims contain features not shown in the Shockley and Schultz references. Claim 54 starts with a user registration step, which the Examiner correctly finds in Shockley at col. 5, lines 35-37.

The second element of claim 54 calls for "forming a rule module customized to the user in a rule module clearinghouse, the rule module associating at least one pattern data of a

user with at least one execution command of the user." The Examiner does not point to anywhere in either Shockley or Schultz that this aspect of the invention is taught or suggested.

The third element of claim 54 calls for a "comparing a bid biometric sample taken directly from the person of the user with at least one previously registered biometric sample for producing either a successful or failed match." Schultz is not cited for any teachings pertinent to biometric matching. Shockley is cited by the Examiner for "comparison of the digitized canonical forms of biometric data of the user completing the request with those of the user initiating the request." Action, para. 7b. Deeper analysis shows that the claimed comparison is patentably distinct from that cited in Shockley. As explained at col. 3, lines 14-25, Shockley's system compares identification information stored in two different user accounts to determine whether the first account and the second account are aliases for the same user.

As further explained in Shockley col. 5, lines 36-58, each time a user sets up a new account, user biometric data is captured and stored in a certificate. When a user logs onto a workstation, as explained in col. 6, lines 21-25, the user inputs information such as user name that is used to fetch an account certificate as a first step in authenticating, or confirming the identity of the user. When requests are initiated from two accounts, ostensibly by the same user, under different aliases, this is detected in the procedure described at col. 8, line 30 to col. 9, line 18, by comparing the two certificates. "If the identification step identifies different user accounts, the two sets of account credentials are checked for the presence of CBAD data at step 162." (Col. 8, lines 51-53) "If both sets of account credentials contain CBAD data, then the digitized biometric data present in each set of the account credentials are compared at step 164." (Col. 9, lines 10-13).

Thus, the comparison in Shockley is of two previously-registered sets of biometrics. In Shockley's comparison, neither biometric is taken when the comparison is to be made; it is taken when the account is set up. In contrast, the comparison in claim 54 is of a bid biometric taken from the person of the user and compared to a previously-stored biometric. Thus the third element of claim 54 is not taught by Shockley.

The fourth element is not only not taught by Shockley but is taught away from by Shockley: "invoking the rule module of the user upon a successful match to execute at least one electronic transmission." Contrary to this recitation, Shockley teaches, at col. 9, lines 14-18, "If the compared digitized biometric data are within a predetermined range of similarity,

the two sets of account credentials are presumed at step 169 to belong to the same user, and the approval entry is rejected and the process terminated."

Shockley describes an example of how his method can be used to prevent fraudulent approval of an expense report commencing at col. 9, line 36 and continuing through col. 12. Summarizing, an individual can fill out and submit an expense report through the Shockley system. The expense report must be approved before it is forwarded to disbursements for a reimbursement check. The essential separation of duties requirement is that no individual can approve his own expense report. Each individual user can submit an expense report logged in under his own personal account and the expense report is posted in a queue where it is retained for review. One or more individuals are given "management accounts" authorized to review and approve or reject expense reports. The request to approve the expense report created by the individual user triggers the certificate-based alias detection method. Each account certificate contains relevant information about each individual including digitized canonical biometric data for the individual (i.e., registration biometric data). As explained in col. 11, line 49, through col. 12, when a second user attempts to approve the expense report, the account certificate for that user is verified and the digitized biometric data for each are compared for similarity. If they are regarded as identifying the same user, the application server system 116 must assume that the two users are in fact the same individual even though the corresponding account certificates belong to distinct accounts, and the expense report approval is blocked. Thus, Shockley teaches a one-to-one comparison of two previously-registered sets of biometric data.

Schultz is not cited for any of the foregoing teachings of claim 54 missing from Shockley, either in regard to the rule module, its contents or its operation, or in regard to the capture and comparison of registration and bid biometric samples.

Accordingly, claim 54 is patentable over the Shockley and Schultz references.

System claim 64 is likewise patentable over Shockley and Schultz.

Claim 1 recites the method as recited in claim 54 with some added limitations including the further limitation that the recited method is "tokenless" as expressed in the preamble of claim 1 as well as in the final element of claim 1. System claim 20 recites the system as recited in claim 64 with some added limitations including the further limitation that the recited method is "tokenless." Based on the foregoing discussion of claims 54 and 64, claims 1 and 20 should also be patentable over Shockley and Schultz.

The additional "tokenless" feature recited in the preamble and again in the last element of each of claims 1 and 20 was held to be a patentable distinction in the above-

identified Board decision. It likewise constitutes a patentable distinction -- in addition to those discussed above -- over the Shockley and Schultz references. Both Shockley and Schultz call for the use of a token. In Shockley "The private key is issued to the user (typically in the form of stored information in some device 115 such as a pass card)..." (Col. 5, lines 49-51) or in a smartcard (Col. 6, lines 34-37). Schultz calls for encoding or imprinting the consumer ID code in a member identification card, UPC bar-coding, or a magnetic stripe of a debit card. (Col. 6, lines 31-53). Thus, both Shockley and Schultz describe token-based method and apparatus, contrary to claims 1 and 20.

Accordingly, claims 1 and 20 are additionally allowable based on the tokenless distinctions discussed above.

Method claim 63 covers a more elaborate version of the method of claim 54. It contains essentially the same features of claim 54 but further specifies a primary and a secondary user with registration of biometric samples for each and with respectively associated primary and secondary rule modules, subordination of the secondary rule module to the primary rule module, and a comparison of the bid and registered biometrics of the second user to invoke the primary user rule module. None of this is taught or suggested by the Shockley and Schultz references.

Method claim 25 is similarly directed to a method involving primary and secondary users, in somewhat more detail than claim 63. Claim 25 is allowable for the same reasons as claim 63. Additionally, claim 25 contains the "tokenless" feature discussed above, and so should also be allowable on that basis.

Claims 101 and 102 are directed to methods of operation of the invention where there is already a registered biometric of the user in the system. Claim 102 is directed to the operation of the rules module clearinghouse responsive to the match of a bid biometric with the registered biometric to extract data associated with the user and pertinent to the rule module and performing an action with the extracted data that is defined by the rule module. This sequence is not taught or suggested by the Shockley and Schultz references. Claim 101 similarly starts by matching the biometric sample from the user with a registered sample, then transmitting an access key to the user terminal, receiving a request to validate the access key from a third party location and, if the validity of the access key is confirmed, transmitting user's account access information to the third party location or computer. This sequence also is not taught or suggested by the Shockley and Schultz references. Accordingly, the Examiner's blanket rejection of all the claims fails to establish a *prima facie* case of obviousness with respect to claims 101 and 102.

The foregoing analysis demonstrates why the independent claims are allowable over the Shockley and Schultz references. The dependent claims are not separately rejected. Indeed, they claim additional features further limiting the allowable independent claims, not taught or suggested by the Shockley and Schultz references. A sampling of the dependent claims is indicative.

For example, claims 2 and 21 provide for the command execution module to communicate with third-party computers, similarly to claim 101.

Claim 7 provides an alert if a user attempts to re-register and the new registration sample matches the previous registration sample. Shockley allows a user to register in multiple accounts as further explained in Shockley col. 5, lines 36-58, and then provides a method, discussed above, at col. 9, lines 14-18, preventing the requested access or action.

Claims 9 and 10 provide for a personal ID code and provide a theft resolution step to change that code if the biometric sample has been fraudulently duplicated.

Claims 26-29, 40-42, 59, 70 and 71, among others, claim various specific applications of the user profile and execution commands to control access to various goods and services, such as insurance benefits and purchase of alcohol and tobacco. Claim 62 specifically calls for the pattern data to include demographic data about the user and the execution command determines eligibility to access goods, data or services.

Claims 37, 38, and 50 provide execution commands for controlling access of a subordinated user, as determined by a primary user.

Claim 44 further specifies a device in which a rule module includes at least one pattern data associated with two execution commands, and at least one execution command associated with at least two pattern data.

None of these features appear to be taught or suggested by the Shockley and Schultz references. Nor has the Examiner cited the Shockley and Schultz references specifically against these claims. Accordingly, the dependent claims are allowable in their own right as well as because the claims from which they depend are patentably distinct from the Shockley and Schultz references.

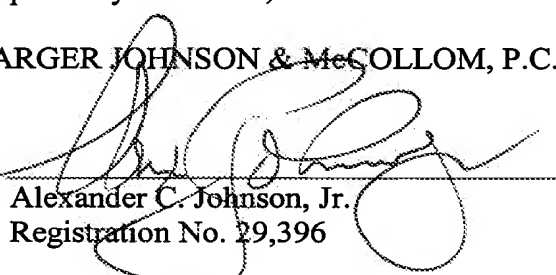
In view of the foregoing and the fact that the claims are otherwise allowable, the application should now be in condition for allowance. If any questions remain, the Examiner is requested to call the undersigned.

**60460**  
**Customer No.**

Respectfully submitted,

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By

  
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The opinion in support of the decision being entered today was not written for publication and is not binding precedent of the Board.

MAILED

AUG 28 2006

U.S. PATENT AND TRADEMARK OFFICE  
BOARD OF PATENT APPEALS  
AND INTERFERENCES

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

Ex parte NED HOFFMAN, DAVID FERRIN PARE JR.,  
JONATHAN ALEXANDER LEE and  
PHILIP DEAN LAPSLEY

Appeal No. 2006-0464  
Application No. 09/215,058  
Technology Center 3622

8514-100

ON BRIEF

Before OWENS, LEVY, and NAPPI, Administrative Patent Judges.  
LEVY, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal from the examiner's final rejection of claims 1-12 and 23-31, which are all of the claims pending in this application.

We REVERSE.

BACKGROUND

The appellant's invention relates to a tokenless financial access system (specification, page 1). In particular, a user registers with a computer system one or more biometric samples and one or more financial accounts. The user initiates account access by at an ATM by entering a biometric sample, where no man-made memory device is used (specification, page 4).

Claim 1 is representative of the invention, and is reproduced as follows:

1. A method for tokenless authorization of commercial transactions between a user and a seller using a computer system, the method comprising the steps of:
  - a. a user registration step, wherein the user registers with the computer system at least one registration biometric sample and at least one user financial account;
  - b. a seller registration step, wherein the seller registers with the computer system at least one seller financial account;
  - c. a proposal step, wherein the seller offers a proposed commercial transaction to the user, the proposed commercial transaction comprising price information;
  - d. a transmission step, wherein the user's personal identification information comprising at least a bid biometric sample is forwarded to the computer system;

e. a user identification step, wherein the computer system compares the bid biometric sample with registration biometric samples for producing either a successful or failed identification of the user; and

f. a payment step, wherein a financial account of the user is debited and a financial account of the seller is credited, wherein a commercial transaction is conducted without the user having to use any smartcards or swipe cards.

The prior art references of record relied upon by the examiner in rejecting the appealed claims are:

Daugman	5,291,560	Mar. 01, 1994
Houvener, et al. (Houvener)	6,070,141	May 30, 2000 (Filed Jul. 28, 1998)

Claims 1-12 and 23-31 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Houvener in view of Daugman.

Rather than reiterate the conflicting viewpoints advanced by the examiner and the appellants regarding the above-noted rejection, we make reference to the answer (mailed May 16, 2005) for the examiner's complete reasoning in support of the rejection, and to the brief (filed February 22, 2005) and reply brief (filed July 20, 2005) for the appellants' arguments thereagainst.

Only those arguments actually made by appellants have been considered in this decision. Arguments which appellants could

have made but chose not to make in the brief have not been considered. See 37 CFR § 41.37(c)(1)(vii)(eff. Sept. 13, 2004).

#### OPINION

In reaching our decision in this appeal, we have carefully considered the subject matter on appeal, the rejection advanced by the examiner, and the evidence of obviousness relied upon by the examiner as support for the rejection. We have, likewise, reviewed and taken into consideration, in reaching our decision, appellants' arguments set forth in the briefs along with the examiner's rationale in support of the rejection and arguments in rebuttal set forth in the examiner's answer. Upon consideration of the record before us, we make the determinations which follow.

We begin with claim 1.

In rejecting claims under 35 U.S.C. § 103, it is incumbent upon the examiner to establish a factual basis to support the legal conclusion of obviousness. See In re Fine, 837 F.2d 1071, 1073, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). In so doing, the examiner is expected to make the factual determinations set forth in Graham v. John Deere Co., 383 U.S. 1, 17, 148 USPQ 459, 467 (1966). The examiner must articulate reasons for the examiner's decision. In re Lee, 277 F.3d 1338, 1342, 61 USPQ2d 1430, 1434

(Fed. Cir. 2002). In particular, the examiner must show that there is a teaching, motivation, or suggestion of a motivation to combine references relied on as evidence of obviousness. Id. at 1343. The examiner cannot simply reach conclusions based on the examiner's own understanding or experience - or on his or her assessment of what would be basic knowledge or common sense. Rather, the examiner must point to some concrete evidence in the record in support of these findings." In re Zurko, 258 F.3d 1379, 1386, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001). Thus the examiner must not only assure that the requisite findings are made, based on evidence of record, but must also explain the reasoning by which the findings are deemed to support the examiner's conclusion. However, a suggestion, teaching, or motivation to combine the relevant prior art teachings does not have to be found explicitly in the prior art, as the teaching, motivation, or suggestion may be implicit from the prior art as a whole, rather than expressly stated in the references. The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art. In re Kahn, 441 F.3d 977, 987, 78 USPQ2d 1329, 1336

(Fed. Cir. 2006) citing In re Kotzab, 217 F.3d 1365, 1370, 55 USPQ2d 1313 (Fed. Cir. 2000). See also In re Thrift, 298 F. 3d 1357, 1363, 63 USPQ2d 2002, 2008 (Fed. Cir. 2002). These showings by the examiner are an essential part of complying with the burden of presenting a prima facie case of obviousness. Note In re Oetiker, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). If that burden is met, the burden then shifts to the applicant to overcome the prima facie case with argument and/or evidence. Obviousness is then determined on the basis of the evidence as a whole and the relative persuasiveness of the arguments. See Id.; In re Hedges, 783 F.2d 1038, 1039, 228 USPQ 685, 686 (Fed. Cir. 1986); In re Piasecki, 745 F.2d 1468, 1472, 223 USPQ 785, 788 (Fed. Cir. 1984); and In re Rinehart, 531 F.2d 1048, 1052, 189 USPQ 143, 147 (CCPA 1976).

The examiner's position (answer, page 5) is that "it is not explicitly disclosed that the current biometric data is being compared to biometric samples from the plurality of customers in the database (i.e. a one-to-many) to determine the identity of the current customer). To overcome this deficiency of Houvener, the examiner turns to Daugman for a teaching of using biometric data (iris codes) to identify individuals. The examiner asserts

(id.) that the modification would have been obvious in view of Houvener's disclosure of linking the customer's biometric data and the customer's account. According to the examiner, one would have been motivated to compare current biometric data with stored biometric data in order to automatically and unobtrusively identify the customer without the need for the customer to present any kind of token, pin number, signature, etc., as discussed by Daugman.

Appellants' position (brief, pages 5 and 6) is that Houvener does not teach comparing current biometric data with registered biometric samples to identify a user but rather assesses the quality of the identification already made, because Houvener presents a card, such as a credit card. The clerk inputs the account number, which if identified, causes a identification unit such as a photo to be returned to the store clerk. The clerk compares the photo with the user and if a match occurs, the transaction is performed. It is argued (brief, page 6) that Houvener define a two-step process whereas appellants' invention has a one-step identification process. It is argued (id.) that in Houvener, the second identification is to verify the first identification, and (brief, page 7) not to identify the user.

With respect to the examiner's reliance on claim 21 of Houvener as a teaching of using the biometric as the first identification unit, appellants assert that Houvener's specification does not enable the examiner's interpretation of the claim language of Houvener. Appellants assert (id.) that

The Examiner explicitly noted that in Houvener, "the first step identifies the customer (and the account), and the second step verifies the identity of the customer." The Examiner then explained that biometric data could be used in the first identification step. The Examiner failed, however, to explain how the second verification step would be performed in Houvener if the biometric data is used as a first identification step.

It is argued (brief, page 8) that the examiner's redesign of Houvener to meet the claims is an application of hindsight. It is further argued (id.) that Houvener verifies a previous identification whereas the claimed invention utilizes a single identification that does not need to be verified. With regard to Daugman, appellants assert (id.) that

Daugman teaches only iris identification and does not disclose nor enable the use of iris identification to complete a commercial transaction as is claimed in claim 1 of the present application. Thus, because the biometric in Houvener is used only to verify the user's identity, the combination of Daugman and Houvener, a combination the Appellant believes is not workable, would be use iris identification as a second identity verification step.



From our review of Houvener we find that the reference relates to the field of identity verification (col. 1, lines 14 and 15). Although the invention described is directed to non cash-based financial transactions, such as credit cards, it is also applicable to other transactions, such as banking transactions (col. 1, lines 20-25). The disclosure makes reference to point of sale transactions, using credit card accounts, etc (col. 4, lines 58-64). In credit card transactions, the point of identification will be as a point of sale. Upon presentation of a credit card, the store clerk will input the credit card account number into the point of identification terminal 1, such as by swiping (col. 5, lines 27-34). Once the account number is entered into the terminal, the terminal communicates with the remote database through a modem 8 (col. 4, lines 4-9). The credit card account data is processed at servers 16 and 17 (col. 6, lines 42-44). The database site will query any one of a number of credit authorization agencies (CCAs) to verify that the credit card is valid and within pre-approved credit limit (col. 7, lines 48-53). The server then retrieves a biometric such as a digital photograph associated with the account number (col. 6, lines 45-50). The retrieved photographic

image is displayed at the point of identification terminal and compared by the store clerk with the person making the transaction. If a match exists, the clerk inputs a keystroke or sequence of key strokes, verifying that the match exists (col. 9, lines 5-14).

From the disclosure of Houvener, we agree with appellants (brief, page 5) that there are two identification units, with the first identification identifying the customer and the second identification (photo) verifying the customer.

In addition, from the disclosure that the system databases query one or more CCAs to verify the credit card account information, we find that the user has registered at least one financial account.

From the disclosure that the point of identification is a point of sale (col. 5, lines 27 and 28) we find that the seller has offered an item for sale that will include a sales price. From the disclosures of credit card financial transactions (col. 1, line 23), point of sale, and using CCAs, we find that the seller will have inherently registered with the system, in order to be paid when the transaction is completed. However, the system requires the use of a token such as a credit card or bar

coded card, which makes the system of Houvener a token system and not a tokenless system. Houvener additionally discloses (col. 9, lines 16-21) that in a sophisticated embodiment an automated comparison using fingerprints and retinal images can be used, such that the clerk verification input may not be required. However, we interpret this portion of Houvener to mean that the clerk will not have to compare a picture of the account holder with the person making the transaction, and not that the first identification unit (swiped credit card) will be unnecessary for the system. In addition, from our review of claim 21 of Houvener we find that the language "wherein at least one of said at least two identification information units corresponding to each person being identified comprises a biometric identifier associated with said person" refers to either of the identification units being the biometric. However, we do not interpret this to mean that only a biometric will be used, but rather that the biometric will be used first and the credit card swipe will be used for account information after the individual has been identified by the biometric. This interpretation of claim 21 is consistent with the disclosure of Houvener because claim 21 depends from claim 20 which requires at least two identification units. In sum, Houvener discloses a system where both biometrics and a credit card or similar token are used.

Turning to Daugman, we find that the reference is directed to an iris scan for automated identification (col. 1, lines 6-8 and col. 2, line 32). It is disclosed that bank automatic teller machines are an example of technology requiring rapid and reliable personal identification (col. 1, lines 10-15). However, from our review of Daugman, we find no teaching or suggestion, nor has any been brought to our attention by the examiner or the appellants, as to how Daugman's system will be applied to a financial system, and we would have to resort to speculation to find that the reference suggests using biometrics in a tokenless system. The examiner may not resort to speculation or unfounded assumptions to supply deficiencies in establishing a factual basis. See In re Warner, 379 F.2d 1011, 1017, 154 USPQ 173, 178 (CCPA 1967). Rather we find that if combined with the disclosure of Houvener, the result would be that the iris identification system of Daugman would be the sophisticated, automated biometrics referred to in Houvener (col. 9, lines 16-21). Thus, although we do not agree with appellants that the systems of Daugman and Houvener could only be combined using hindsight, we find that upon modifying Houvener in view of the teachings of

Daugman, that the result would not be a tokenless system using only biometrics for identification. Note that in view of the language in claim 1 that the transaction is conducted without the user having to use smart cards or swipe cards, we find that the preamble language of tokenless authorization breathes life and meaning into the claim and has been given patentable weight.

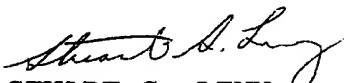
From all of the above, we find that the examiner has failed to establish a prima facie case of obviousness of claim 1. Accordingly, we cannot sustain the rejection of claim 1, or of claims 2-12 or 23-31 which depend therefrom.


CONCLUSION

To summarize, the decision of the examiner to reject claims 1-12 and 23-31 under 35 U.S.C. § 103 is reversed.

REVERSED

  
TERRY J. OWENS  
Administrative Patent Judge

  
STUART S. LEVY  
Administrative Patent Judge

  
ROBERT E. NAPPI  
Administrative Patent Judge

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Appeal No. 2006-0464  
Application No. 09/215,058

Page 15

MARGER JOHNSON & MCCOLLOM/INDIVOS  
210 SW MORRISON STREET  
SUITE 400  
PORTLAND OR 97204

PATENT APPLICATION  
Attorney's Do. No. 8514-25

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: Hoffman and Lapsley

Serial No.: 09/398,914

Group Art Unit: 2716

Filed: September 16, 1999

For: SYSTEM AND METHOD FOR PROCESSING  
TOKENLESS BIOMETRIC ELECTRONIC  
TRANSMISSIONS USING AN ELECTRONIC  
RULE MODULE CLEARINGHOUSE

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ON: 18 Jan 2001

*[Signature]*

INFORMATION DISCLOSURE STATEMENT

Applicant submits herewith PTO Form 1449 and copies of patents and publications of which he is aware which may be material to the examination of this application and in respect of which there may be a duty to disclose in accordance with 37 CFR Section 1.56.

This application is a continuation of US application serial number 09/244,784 filed February 5, 1999, now US Patent No. 6,012,039, which is a continuation-in-part of US application serial number 07/705,399, filed on August 29, 1996 now US Patent No. 5,870,723, which is a continuation-in-part of US application serial No. 08/442,895 filed on May 17, 1995 now US Patent No. 5,613,012 which is a continuation-in-part of US application serial No. 08/345,523, filed on November 28, 1994, now US Patent No. 5,615,277.

It is understood that the listed references will be considered in the examination of the application and that no separate copies of the same prior art are required to be provided since they were previously cited or transmitted in the foregoing prior application. 37 CFR Section 1.98(d). Form(s) PTO 1449 is enclosed listing references cited by the Examining Attorney and submitted by applicant in the prior applications.



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PATENT TRADEMARK OFFICE

Respectfully submitted,

By *[Signature]*  
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<b>Form PTO-1449 (modified)</b>	<b>Atty. Docket No.</b>	<b>Serial No.</b>
<b>INFORMATION DISCLOSURE CITATION</b>	8514-25	09/398,914
<b>Applicant:</b>		
Hoffman and Lapsley		
<b>Filing Date</b>		<b>Group</b>
September 16, 1999		2761

## U.S. PATENT DOCUMENTS

Initial	Document Number	Date	Name	Class	Subclass
___	4,321,672	3/1982	Braun	364	408
___	4,390,968	6/1983	Hennessy	364	900
___	4,484,328	11/1984	Schlaflly	370	394
___	4,675,815	6/1987	Kuroki	364	900
___	4,734,858	3/1988	Schlaflly	705	26
___	4,799,156	1/1989	Shavit	364	401
___	4,821,118	4/1989	Lafreniere	358	108
___	4,837,422	6/1989	Dethloff et al.	364	408
___	4,926,480	5/1990	Chaum	380	23
___	4,947,028	8/1990	Gorog	235	380
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___	4,995,086	2/1991	Lilley et al.	382	4
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___	5,036,461	7/1991	Elliot et al.	364	408
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Examiner

Date Considered

\*Examiner: Initial if citation considered, whether or not citation is in conformance with MPEP 609; Draw line through citation if not in conformance and not considered. Include copy of this form with next communication to applicant.

## Form PTO-1449 (modified)

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8514-25Serial No.  
09/398,914Applicant:  
Hoffman and LapsleyFiling Date  
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Applicant: Hoffman and Lapsley		
Filing Date September 16, 1999		Group 2761

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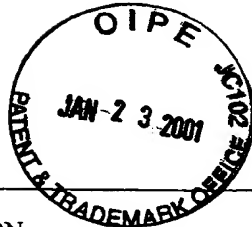
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- \_\_\_ Radcliff, *When Data Warehouse become Open House*, Software Management, v16 n11, November 26, 1996.
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- \_\_\_ Scally, R., *CompUSA Tests Fingerprints to Help Secure Transactions*, Discount Store News v36 n10, May 19, 1997.

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	5,180,901	1/1993	Hiramatsu	235	380
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